

***Delaware Health Resources Board
Cataract and Laser Center Review Committee Meeting Minutes
Monday, February 20, 2017 2:00 PM
Jesse Cooper Building
Library Conference Room First Floor
417 Federal Street
Dover, Delaware***

Review Committee Members Present:

David Hollen, Jill Rogers and Gina Ward

Staff Present:

Joanna Suder and Latoya Wright.

Call to Order and Welcome

The meeting of the Health Resources Board (HRB) Review Committee for Cataract and Laser Center (CLC) was called to order at 2:15 p.m.

Review of Cataract and Laser Center's Application

The Review Committee reviewed the application along with the Internal Staff Analysis Document.

It was stated that on February 10, 2016, CLC submitted a Notice of Intent to relocate their existing surgery center to a new location. The application was received on December 16, 2016 with an estimated capital expenditure of approximately \$30,000. The public notice was posted on January 13, 2017 and the application will be voted on at the March 23, 2017 HRB meeting.

Review Considerations

The Review Committee reviewed the following criteria for the proposal to determine whether the application meets or does not meet each criterion.

Criterion I: The relationship of the proposal to the Health Resources Management Plan

CLC noted in the application that this request is not a new request in conforming to the Health Resources Management Plan, but a relocation of an existing ambulatory surgery center. CLC is a participating provider with Medicare, Medicaid and managed care plans. There was a discussion surrounding the Medicaid population for CLC. The primary purpose of the proposal is to relocate the surgery center to allow the latest in technological advances. Offering the procedures at the new location will be more cost-effective and efficient than a hospital admission stay. CLC stated their current patient demographics include indigent patients and the Medicaid community. The applicant provided the following patient payer mix:

- Medicare-60%
- Blue Cross Blue Shield-15%

- Aetna-9%
- Patient responsibility (post insurance adjudication) -11%

The Review Committee requested the applicant provide additional information regarding the percentage of Medicaid patients served. It was noted, Table 1 on page 3 of the Internal Staff Analysis will be updated with the Medicaid population percentage.

The Review Committee unanimously agreed the application meets criterion one

Criterion II: The need of the population for the proposed project

It was noted that the majority of CLC's patients reside in New Castle County. It was noted that based on CLC's patient demographics data in the application, an estimated 79,737 patients are 65 years of age or older in New Castle County. CLC's database of patient procedures in 2015 showed that 70% of the procedures performed were for the 65-year-old population. It was stated the patient's demographics total percentage column listed in Table 3 on page 3, will be corrected by staff.

The Review Committee unanimously agreed the application meets criterion two.

Criterion III: The availability of less costly and/or more effective alternatives to the proposal, including alternatives involving the use of resources located outside the state of Delaware.

It was stated that CLC is cognizant of exiting providers in the service area, however the application noted the proposal would not affect current patient demographics as the existing surgery center will be relocating to a new facility. The alternatives for patients would be for those patients to seek treatment at a different ambulatory surgery center or at a hospital. The application noted the current facility prohibits an expansion due to the design of the facility and other external factors.

The Review Committee unanimously agreed the application meets criterion three.

Criterion IV: The relationship of the proposal to the existing health care delivery system.

It was stated the applicant, Jeffrey Boyd, MD is the owner and Medical Director of CLC, LLC and Eye Care of Delaware, LLC. CLC stated they do not anticipate a change or impact on existing providers in the health care system. Dr. Boyd is also a medical staff member at Christiana Hospital. Optometrists, ophthalmologists, primary care physicians and friends refer patients to the facility. CLC refers patients to another location if they are unable to meet the patient's needs. Based on the information provided in the application under this criterion; the Review Committee stated CLC has a current referral process in place.

The Review Committee unanimously agreed the application meets criterion four.

Criterion V: The immediate and long-term viability of the proposal in terms of the applicant's access to financial, management and other necessary resources.

It was noted that CLC is fully staffed with registered nurses and personnel. The facility already has surgical equipment. CLC has a working relationship with Eye Care of Delaware LLC and utilizes trained personnel to support CLC as needed. Continued financial reimbursement for patient services will not be interrupted. Financial stability will be maintained.

The Review Committee unanimously agreed the application meets criterion five.

Criterion VI: The anticipated effect of the proposal on the costs of and charges for health care.

Schedule 4- Statement of Revenue and Expenses was reviewed and discussed. The application noted the projected costs and charges of health care delivery was derived from the estimated 2017 figures to include a 4% growth. CLC anticipates continued growth, to include additional procedures utilizing the laser procedure suites. Charges for procedures will continue as usual.

The Review Committee requested an explanation on the following items on the Statement of Revenue and Expenses:

- Indigent Care
- Uncollectible & Other
- Interest

The Review Committee unanimously agreed the application meets criterion six.

Criterion VII: The anticipated effect of the proposal on the quality of health care.

It was mentioned CLC has a continued quality improvement program that is integrated with risk management and infection control. The core purpose of the program is to ensure safe, efficient, competent and cost effective care within the facility. The program continually monitors patient satisfaction, universal protocol and peer review. CLC's objectives are to maintain a clinical and surgical facility, which meets Federal, State, Medicare and Accreditation Association for Ambulatory Health Care (AAHC) standards.

The Review Committee unanimously agreed the application meets criterion seven.

Action

The Review Committee voted to recommend to the Health Resources Board that the application be approved with the following condition:

CLC continue to adhere to their economic hardship policy of the Center.

Next Steps

Staff will submit the questions raised by the Review Committee to the applicant. Staff will send the Draft Report and responses provided by the applicant to the Review Committee for review. The Review Committee will provide the recommendation to the Board at the March 23, 2017 HRB meeting.

Adjourn

The meeting adjourned at 3:23 p.m.

Guests Attending

Alexandra Meyer

Cataract and Laser Center